

March 1, 2006

Dr. Alan Lloyd Secretary, CalEPA 1001 "I" Street Sacramento, CA 95814 Ms. Catherine Witherspoon CalEPA 1001 "I" Street Sacramento, CA 95814

Re: Comments – Draft Emission Reduction Plan for Ports and International Goods Movement in California

Dear Dr. Lloyd and Ms. Witherspoon:

Since its inception in 1888, the Los Angeles Area Chamber of Commerce has recognized the importance of the goods movement and logistics industry is a vital sector of the state and national economies and that essential infrastructure must be developed and properly maintained. A coordinated goods movement system of infrastructure and facilities-including ports, railways, dedicated truck lanes, airports and logistics centers-- are critical to relieve congestion on freeways and increase mobility for all Californians. We also believe strongly that we must work closely with neighboring communities, environmental groups, labor and other interested shareholders to achieve the ultimate goal of efficient goods movement and a cleaner environment. Achieving efficient goods movement and a cleaner environment are not mutually exclusive goals, and we appreciate your ongoing efforts to facilitate collaborative solutions.

We also believe that incentive-based programs will be the fastest, most effective, and result-oriented approach to achieving these goals. We commend your agency's voluntary Memorandum of Understanding with the railroads as a step in the right direction.

We recommend, relative to the Carl Moyer Fund program, that you withdraw the policy that projects achieve reductions that are at least three years prior to the levels that are required by regulation. This is contrary to the spirit of the recent legislation that removed the five year project life requirement from the statute. Next, the administrative cost limitations are prohibitive. Smaller districts experience great difficulty in effectively utilizing a program that is extremely labor intensive to implement.

In general, the L.A. Area Chamber would like to rely on the technical analyses provided by your staff and encourage the expanded use of your advanced technology expertise in formulating overall solutions. We encourage CalEPA staff to continue to evaluate solutions to facilitate local goods movement, in addition to the ongoing efforts to facilitate the effective and efficient movement of goods leaving our region. Consideration should be granted to potential methods to expand the use of rail to meet local cargo distribution needs. Additionally, since ships have been already identified as a major source of emissions, we would like to encourage the ship operators of the newer models of ships to use our ports on the West Coast so that they can demonstrate that they can also be a part of the solution.

The L.A. Area Chamber would also like to mention that regular maintenance of all vehicles – whether they are ships, railcars, trucks or automobiles – plays a major secondary part in having our transportation system run well, and in reducing additional emissions that result from poorly maintained equipment. Ways in which we can encourage and incentivize regular maintenance would be very well received and would be relatively low in cost.

We look forward to continuing to support the work of the CalEPA. It is our belief that agreements made in collaboration with the private sector to achieve our common goals are always more effective. We share your goal of finding effective solutions and again commend you for engaging all stakeholders in identifying and pursuing the solutions.

Sincerely,

Rusty Hammer President & CEO

Rusty Hammer

L.A. Area Chamber of Commerce